Unemployment rate steady at 4.1% in May

Media Release

Released 19/06/2025

Source: Labour Force, Australia, May 2025

The seasonally adjusted unemployment rate remained at 4.1 per cent in May, according to data released today by the Australian Bureau of Statistics (ABS).

Sean Crick, ABS head of labour statistics, said: 'Despite employment falling by 2,000 people this month, it's up 2.3 percent compared to May 2024, which is stronger than the pre-pandemic, 10-year average annual growth of 1.7 per cent.'

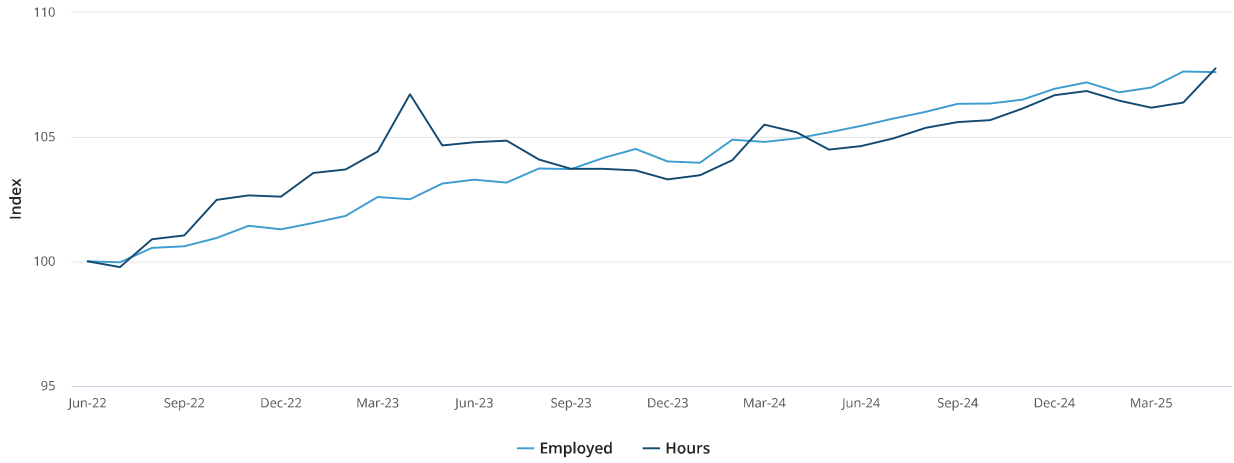
'This fall in employment, combined with a drop in unemployment of 3,000 people, meant that the unemployment rate remained steady at 4.1 per cent for May,' Mr. Crick said.

The employment-to-population ratio fell 0.1 percentage points to 64.2 per cent, and the participation rate fell 0.1 percentage points to 67.0 per cent.

'Despite the slight fall in the employment-to-population ratio this month, the female employment-to-population ratio rose 0.1 percentage points to a record high of 60.9 per cent,' Mr. Crick said.

Hours worked increased 1.3 per cent in May, following lower levels in the previous two months coinciding with the Easter holiday period and severe weather disruptions.

Seasonally adjusted employment and hours worked, indexed to June 2022



Source: Labour Force, Australia Tables 1 and 19

Underemployment and underutilisation

The underemployment rate fell by 0.1 percentage points to 5.9 per cent in May 2025. This was 0.8 percentage points lower than May 2024, and 2.8 percentage points lower than March 2020.

The underutilisation rate, which combines the unemployment and underemployment rates, fell by 0.2 percentage points to 9.9 per cent. This was 4.0 percentage points lower than March 2020.

Underlying trend data

The trend unemployment rate has remained unchanged at 4.1 per cent for the past 3 months.

Employment grew by around 28,000 people (+0.2 per cent) in May, and 2.3 per cent over the last 12 months.

Monthly hours worked rose by 0.1 per cent, which has consistently been smaller than monthly employment growth since the start of 2025.

'In trend terms, the employment-to-population ratio remained at 64.3 per cent in May, while the participation rate stayed at 67.0 per cent. Both measures have remained the same since the start of 2025,' Mr Crick said.

The underemployment rate remained at 5.9 per cent and the underutilisation rate remained at 10.0 per cent.

More information, including regional labour market data, will be available in the upcoming May 2025 issue of Labour Force, Australia, Detailed, on Thursday 26 May 2025.

The ABS would like to thank Australians for their continued support in responding to our surveys.

Media notes

- The May survey reference period was from 4 May 2025 to 17 May 2025.
- The June survey reference period is from 1 June 2025 to 14 June 2025.
- The ABS defines population as the civilian population aged 15 years and over when reporting labour force statistics.
- The ABS defines pre-pandemic as March 2020 when analysing and reporting labour force statistics.
- Watch our data literacy presentation on CPI, inflation and cost of living data (https://www.youtube.com/watch?v=9-sGkfqqI70) as well as our ABS data crash course (https://www.youtube.com/watch?v=le2K3PNejU4&list=PLR8_RxifMwL4JQTxYclMANzga67VBlyhj&index=11), designed especially for journalists to learn how to find, download and interpret our data.
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